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**UNITED STATES DISTRICT COURT**

**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

SPS TECHNOLOGIES, LLC d/b/a/  
PB FASTENERS,

Plaintiff,

v.

BRILES AEROSPACE, INC.,  
MICHAEL BRILES, and ROBERT  
BRILES,

Defendants.

Case No. 2:18-cv-09536-MWF-AS

**DECLARATION OF SARA GRAY  
IN SUPPORT OF  
PLAINTIFF SPS TECHNOLOGIES,  
LLC'S MOTION TO MODIFY  
SCHEDULING ORDER AND FOR  
LEAVE TO FILE SECOND  
AMENDED COMPLAINT**

**First Amended Complaint Filed:  
December 17, 2018**

**Before: Hon. Michael W. Fitzgerald**

1 I, Sara Gray, hereby declare as follows:

2 1. I am currently Senior Corporate Counsel at Precision Castparts Corp.  
3 Precision Castparts Corp. is the parent corporation of Plaintiff SPS Technologies, LLC  
4 d/b/a PB Fasteners ("Plaintiff" or "PB Fasteners"). I have personal knowledge of the  
5 facts set forth herein, and if called and sworn as a witness, I could and would testify  
6 competently as follows.

7 2. In 2011, I was an attorney at the law firm of Stoel Rives LLP ("Stoel  
8 Rives"). As part of my employment at Stoel Rives, I was one of a team of attorneys  
9 representing PCC and its subsidiary SPS Technologies, LLC (referred to throughout  
10 this declaration collectively as "PCC") during the purchase of the PB Fasteners business  
11 from Paul R. Briles, Inc., which was structured as an asset purchase.

12 3. PCC purchased the PB Fasteners business of Paul R. Briles, Inc. in May  
13 2011 pursuant to an Asset Purchase Agreement ("APA") signed by Paul R. Briles, Inc.,  
14 SPS Technologies, LLC, and, for purposes of Section 6.6, Robert M. Briles and Richard  
15 T. Briles.

16 4. During the acquisition of the PB Fasteners business of Paul R. Briles, Inc.,  
17 I participated in numerous conversations with the attorneys representing Paul R. Briles,  
18 Inc. regarding the APA transaction, several of which included Robert Briles. These  
19 conversations related to the proposed acquisition, which included the SLEEVbolt®  
20 product.

21 5. As counsel to PCC, I participated in a call on June 7, 2011 with Paul R.  
22 Briles, Inc. (represented by Robert Briles), counsel for Paul R. Briles, Inc., and  
23 representatives of the Federal Trade Commission ("FTC") regarding the planned  
24 acquisition. That call took place before the APA was amended and the transaction  
25 closed. I remember the call and the subject of discussion. During that call, I took notes  
26 of who was speaking and what was said.

27 6. I recall that Robert Briles said during that call that Paul Briles Inc. had  
28 licensed the trade secrets, know-how, and technical information related to the

1 SLEEVbolt® product to SPS Technologies, LLC. Mr. Briles also confirmed that Paul  
2 Briles Inc. conveyed proprietary information related to the SLEEVbolt® to PCC, which  
3 included manufacturing methods, tooling, designs, and drawings. Rob Briles also  
4 confirmed that ownership of the licensed IP remained with Paul Briles Inc..

5 7. My notes, which have been produced in this litigation, confirm my  
6 recollection regarding what Robert Briles told the FTC and me as counsel for PCC.

7 8. Until this litigation, I am aware of no instance before or after the acquisition  
8 in which Robert Briles said or suggested that there were no trade secrets associated with  
9 the SLEEVbolt® product. Robert Briles did not tell the FTC that there were no trade  
10 secrets associated with the SLEEVbolt® product. To the contrary, Robert Briles said  
11 there were trade secrets associated with the SLEEVbolt® product.

12 9. Robert Briles's representations to the FTC were consistent with the  
13 representations that Robert Briles and his counsel made to PCC during the negotiation  
14 of the APA.

15 10. Robert Briles's representations to the FTC were also consistent with PCC's  
16 understanding of the license agreement between Paul R. Briles, Inc. and SPS  
17 Technologies, LLC entered into in 2005. That agreement granted a license to SPS  
18 Technologies, LLC that included a license to the trade secrets necessary to manufacture  
19 the SLEEVbolt®.

20 11. The main reason PCC purchased the assets of Paul R. Briles, Inc. was to  
21 acquire the SLEEVbolt® product, including the facilities, employees, and trade secrets  
22 necessary to manufacture it. Based on my interactions and communications with Robert  
23 Briles, it is my understanding that Robert Briles fully understood this at the time of the  
24 acquisition. Both parties understood that the purchase price reflected and was driven  
25 by, the value of the SLEEVbolt® product and the trade secrets necessary to make it.

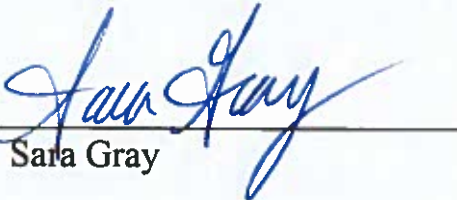
26 12. I recall that PCC negotiated for the inclusion in the APA of confidentiality  
27 and non-competition provisions that applied to Robert Briles consistent with the  
28

1 understanding that the acquisition of the PB Fasteners business involved the acquisition  
2 of valuable proprietary information and trade secrets.

3 13. To my knowledge, during the negotiations of the APA Robert Briles never  
4 informed me, anyone at PCC, or anyone else that there were no trade secrets associated  
5 with the SLEEVbolt® product, or that he did not believe there were any trade secrets  
6 associated with the SLEEVbolt® product. To the contrary, the opposite is true.

7 14. Because PCC's primary reason for acquiring the assets of Paul R. Briles,  
8 Inc. was to acquire the SLEEVbolt® product and the ability to make it, I do not believe  
9 that PCC would have acquired the PB Fasteners business from Paul R. Briles, Inc. if  
10 there were no trade secrets protecting the SLEEVbolt® product.

11  
12  
13 I declare under penalty of perjury that the foregoing is true and correct to the best  
14 of my knowledge and belief. Executed in Portland, Oregon on July 29, 2019.

15  
16  
17   
18 Sara Gray